

## Status of Audit Resolution

December 2001

Agency: 652

### Highline Community College

Audit Number	Finding Number
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6252	1	Finding:	Highline Community College should improve controls over cash and investments.
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Resolution/Status: Highline Community College concurs with this finding and has taken the following corrective action:

- ## Contracted with a professional accountant to prepare the missing bank reconciliations, prepare a detailed instruction manual for the reconciliations and train appropriate financial staff in its use, and
- ## Restructured its financial staff creating senior accounting positions responsible for the review of bank reconciliations and supporting documentation. Another duty of these new positions is to confirm completion of all adjusting entries.

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## Status of Audit Resolution

December 2001

Agency: 652

### Highline Community College

Audit Number	Finding Number
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6252	2	Finding:	Highline Community College should improve internal controls over the recording and valuation of the bookstore inventory to ensure inventory is properly recorded in the financial management system.
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Resolution/Status: Highline Community College concurs with this finding and has taken the following corrective action:

- €# Recorded adjusting entries. The inventory is presently reported accurately in the College's financial records,
- €# Confirmed the inventory valuation method (FIFO) used met State mandated policies and recalculated the gross margin percentage as of August 31, 2001, and
- €# Corrected the quarterly inventory report to the Board of Trustees for the quarter ending June 30, 2001. Each quarter's inventory information in the financial management system is reconciled to the report provided the Board of Trustees.

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